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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

Before The Honorable James Donato, Judge

IN RE: PG&E CORPORATION and)
PACIFIC GAS AND ELECTRIC COMPANY,)
)
Debtors.) **NO. 19-05257 JD**
)
)

San Francisco, California
Monday, November 4, 2019

TRANSCRIPT OF PROCEEDINGS

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Monday - November 4, 2019

2:00 p.m.

P R O C E E D I N G S

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THE CLERK: Calling civil 19-05257 In Re PG&E Corporation, Pacific Gas & Electric Company. Counsel.

MR. JULIAN: Good afternoon, Your Honor. Robert Julian and Kimberly Morris of Baker Hostetler on behalf of the Tort Committee.

MR. McCALLEN: Good afternoon, Your Honor. Benjamin McCallen, Willkie Farr & Gallagher, on behalf of the Ad Hoc Subrogation Group.

MR. SINGLETON: Good afternoon, Your Honor. Gerald Singleton, Singleton Law Firm, on behalf of the SLF Fire Victim Claimants.

MR. SKIKOS: Good afternoon, Your Honor. Steve Skikos, plaintiffs' liaison for the State Court and TCC.

MR. PASCUZZI: Good afternoon, Your Honor. Paul Pascuzzi. My firm is cocounsel with the California Attorney General's Office for certain California State Agencies with fire-related claims.

THE COURT: Thank you.

MR. CAMERON: Good afternoon, Your Honor. Tim Cameron, Cravath Swaine & Moore, on behalf of PG&E.

And this is my partner, Paul Zumbro.

1 **THE COURT:** Okay. Let's do our discovery matter. One
2 from each side, please.

3 All right. Ms. Morris.

4 **MS. MORRIS:** Good morning.

5 **THE COURT:** Can you just cut down the head count a
6 little bit? What is the two substation people?

7 **MS. MORRIS:** This is our attempt to cut it down
8 significantly, Your Honor, and I believe we have. If you'd
9 like to cut it down further, I think we can get it down to as
10 few as six.

11 **THE COURT:** Six?

12 **MS. MORRIS:** Yeah.

13 **THE COURT:** Okay. Six. That's -- that's six.

14 **MR. CAMERON:** I understand, Your Honor. It would be
15 helpful to know who the six are.

16 The issue here, Your Honor, is that we are producing more
17 than 4 million pages of documents all related to the TC --

18 **THE COURT:** Four?

19 **MR. CAMERON:** Four million.

20 **THE COURT:** It's doubled --

21 **MR. CAMERON:** Well, it was 2.8 we referenced in the
22 letter, Your Honor. There's going to be an additional
23 production of 300,000 --

24 **THE COURT:** What is all of that? How did all these
25 people have millions of documents?

1 **MR. CAMERON:** These are very broad search terms,
2 Your Honor, over a period of about from 2010 to 2018. So an
3 eight-year period. We're running broad search terms over large
4 repositories, both for individuals and repositories of
5 documents. It's an extremely large --

6 **THE COURT:** All right. There are 11 individuals.
7 That's going to be reduced to about six.

8 **MS. MORRIS:** I can give you the six names now, yes.

9 **THE COURT:** Oh, you've got the six names?

10 **MS. MORRIS:** I can --

11 **THE COURT:** Why don't you just share them with us and
12 you'll have them on the record.

13 **MS. MORRIS:** Sure.

14 We can limit it to Carlos Gonzales, Alex Bingtan, Erick
15 Corona, Lorenzo Thompson, Kenneth How, and Raymond Trinh.

16 **THE COURT:** Okay. Now why is this going to generate
17 so many documents?

18 **MR. CAMERON:** Well, Your Honor, it's still a
19 significant amount of processing to be done in order to respond
20 even for six additional custodians. The documents for those
21 six, I have to check to see which ones are still active and
22 which ones are affected by background tapes. But it takes
23 about two weeks to load and process the active files and an
24 even longer period of time to load and process the backup files
25 for these individuals. And a lot of them are on backup tapes

1 given the length of the historical period.

2 **THE COURT:** When do the backup tapes start, what time
3 period?

4 **MR. CAMERON:** Well, I believe before 2010, Your Honor.
5 So we're taking that portion from 2010 onwards. I would have
6 to verify that for each of the individuals. But these are
7 active files and backup tapes. And then they --

8 **THE COURT:** So 2010 to 2018 is all on servers?

9 **MR. CAMERON:** Obviously the more recent documents are
10 on servers, yes, Your Honor. I don't know the precise cutoff
11 for those six. Again, it's something that I could verify --

12 **THE COURT:** You said 2010. So that's what I'm asking.
13 When I ask when do the backup tapes start --

14 **MR. CAMERON:** I believe --

15 **THE COURT:** -- what I meant was when is the
16 information available on a server versus the backup tapes?

17 **MR. CAMERON:** I don't know the precise cutoff as I
18 stand here today for those six individuals, Your Honor. That's
19 something I would have to --

20 **THE COURT:** What do you think? You've been doing this
21 now for months.

22 **MR. CAMERON:** I understand. My guess would be
23 somewhere in the middle of that period. Obviously the backup
24 tapes are probably more than the active files, I believe,
25 Your Honor.

1 **THE COURT:** So about 2014.

2 Ms. Morris, you've seen the output. What's your
3 understanding?

4 **MS. MORRIS:** We've been asking the same questions that
5 you've been asking since the beginning of October, Your Honor.
6 And I believe that we need to go a little bit beyond 2014 given
7 what we've seen in just what we have to date. They scored that
8 line, Caribou-Palermo line, it was risk scored in 2014. So I
9 believe that we need to go beyond 2014.

10 I think we can cut it off at 2010, if that's the date by
11 which they have the backup tapes. But we did ask them to start
12 processing these custodians because we knew we'd be bringing
13 this issue to Your Honor if they wouldn't be producing the
14 witnesses.

15 **THE COURT:** Well, how about just two years before
16 2014?

17 **MS. MORRIS:** To 2012?

18 **THE COURT:** Yeah, why not -- well, why do you want to
19 be able to go four years back?

20 **MR. CAMERON:** I think we could limit it to 2012,
21 Your Honor.

22 **THE COURT:** All right. So six individuals starting
23 2012. There's plenty of time to get it done so --

24 **MR. CAMERON:** Well, Your Honor, and we will make every
25 effort if that's the Judge's order. We'll make every effort to

1 do it. It is a significant amount of work. It's still six
2 years as opposed to eight.

3 **THE COURT:** Rounding up tapes and getting them
4 produced over the space of two weeks is just not that
5 burdensome.

6 **MR. CAMERON:** Your Honor, it will take -- it's not
7 human time. We could throw as many resources as we could at
8 it. It's machine time. It's the time that it takes to
9 actually physically upload and process these documents.

10 **THE COURT:** I understand it, but you said two weeks.

11 **MR. CAMERON:** I think two weeks to load the documents.
12 And for the backup tapes longer. And then, of course, they
13 actually need to be reviewed for privilege, processed and
14 produced.

15 **THE COURT:** You're doing electronic searching, aren't
16 you?

17 **MS. MORRIS:** Yeah. We're providing search terms to
18 them. But we're happy to agree to a clawback protocol so that
19 we can get them without advanced review if that's what the
20 concern is.

21 **THE COURT:** You're not reviewing each and every
22 document?

23 **MR. CAMERON:** No. We're doing technology-assisted
24 review for a number of these that would be affected by this as
25 well. But we are reviewing for privilege. That's important

1 here, Your Honor.

2 **THE COURT:** I don't disagree with that. Just don't
3 get hung up on privilege. Produce everything else first. And
4 then take the pool of possibly might be privileged because you
5 have received an indicator and save that for later.

6 But as you get them, it's very easy to carve off the
7 presumptively non-privileged materials and then just produce
8 those. If anything inadvertent happens, you return them
9 without circulating and reading them and copying them or doing
10 anything else with them. Just give them back.

11 **MS. MORRIS:** Sure.

12 **THE COURT:** And you can save the privilege things for
13 later. And just do that as you need to. But in 2019 this
14 really should not be that time-consuming. Okay?

15 **MS. MORRIS:** Thank you.

16 **THE COURT:** Anything else for today?

17 **MS. MORRIS:** Not on this issue, no.

18 **THE COURT:** Okay. Six people. You named them. 2012
19 to 2018. Privilege comes second. In terms of the production,
20 roll everything out ahead of time.

21 And does that conclude our business for today?

22 Yes, Mr. Julian.

23 **MR. JULIAN:** Thank you.

24 Your Honor, one issue has come up. We would propose that
25 the Court request the parties to identify the three liability

1 experts that they told you on October 7th each side would call
2 at trial.

3 In this context, in the disclosures that the parties
4 recently filed the PG&E identified 27 experts, 15 damage and 12
5 liability. My firm identified seven damage and seven
6 liability. And on October 7, we both said we would be calling
7 three lead liability experts at trial. We don't know about the
8 others.

9 We propose both sides identify experts to testify at
10 trial. They, of course, legitimately said it's too early, but
11 with respect to the three liability experts that we both told
12 you on October 7th we would be calling, we think it's best if
13 both sides simply exchange the identity of those three that we
14 already told you on October 7th we certainly would be calling
15 as witnesses.

16 **THE COURT:** Okay. I'm not quite following the issue.
17 Did you ask and they said no?

18 **MR. JULIAN:** Yeah. Yeah. Well, we said it's the
19 27th, they said no, and so now I've narrowed it to at least the
20 three that we told Judge Donato we definitely were calling as
21 expert witnesses.

22 **THE COURT:** Do you have the three names?

23 **MR. JULIAN:** I have three and he has three. And I'd
24 like to know their three and I'll give them my three.

25 **THE COURT:** So you want the names?

1 **MR. JULIAN:** Yeah.

2 **THE COURT:** Okay.

3 **MR. CAMERON:** So, Your Honor, Mr. Julian raised this
4 with me just outside the courtroom. The proposal was initially
5 made was that we would do some more extensive disclosure now.
6 I think it's worth just taking a brief step back.

7 The schedule the Court put in place required us to
8 exchange initial witness lists. We all know, you know, what we
9 have to do to get to the estimation hearing at the time that
10 Your Honor has made available and what we're going to be able
11 to do in that time.

12 The initial witness list, of course, had people, you know,
13 on that list who either may not be called, who may not be asked
14 to prepare a report, or may prepare a report that other experts
15 use and rely upon.

16 We have a deadline of December 13 to exchange expert
17 reports under the current schedule. That will certainly define
18 at that point the universe of experts who will or may be
19 called.

20 And then we have a deadline of January 15th for final
21 witnesses who will actually appear at the estimation hearing.

22 We are going through the process now of determining
23 exactly which witnesses we would use at estimation. There's no
24 prejudice to the TCC or anyone else. They're going through
25 exactly the same process.

1 And so we're doing exactly what we discussed with the
2 Court previously and what the Court actually discussed with us,
3 which was an initial disclosure, moving into expert reports by
4 December 13, and then a final witness list in January.

5 **THE COURT:** All right. So you're not quite ready yet?
6 That's basically --

7 **MR. CAMERON:** Exactly, Your Honor. We're still
8 working our way through this process. We're all doing this
9 very quickly. And we are doing exactly what we discussed with
10 the Court in terms of disclosing witnesses in a timely manner
11 in a way that the Court set forth in its initial schedule.

12 **THE COURT:** All right. Mr. Julian, they're not quite
13 ready yet.

14 **MR. JULIAN:** Got you.

15 **THE COURT:** When they're ready, they're ready. If you
16 can do it earlier, you know, these are all end dates. And I'll
17 put this on the order, but they -- effectively each day should
18 be read separate hearing dates as last days to disclose. It
19 just says "disclose." But any time beforehand.

20 So if you all need some more time and you both have a
21 mutual interest in that, then you can exchange them whenever
22 you're ready. But if you're not ready, you're not ready.

23 **MR. JULIAN:** Okay. That's all we have for today, Your
24 Honor.

25 **MR. CAMERON:** Thank you, Your Honor.

1 **MR. McCALLEN:** Just one more issue, Your Honor. Just
2 to clarify.

3 **THE COURT:** I have one question just before -- what
4 happened with the filing deadline?

5 **MR. JULIAN:** Oh, that didn't -- we asked the judge to
6 move it up. PG&E did eventually speak on a date. The new
7 hearing date on inverse is November 19th.

8 **THE COURT:** Oh, no, no, no. The claim filing
9 deadline.

10 **MR. JULIAN:** Oh, I know what happened, but I don't
11 know if I'm authorized to say.

12 **MR. CAMERON:** I'm not sure what you're talking about
13 so I'm not sure. Should we try again?

14 **MR. ZUMBRO:** I think it's the bar date we're talking
15 about.

16 **MR. JULIAN:** Yeah, it's the bar date.

17 **MR. ZUMBRO:** I think I can take this one. Paul Zumbro
18 from Cravath for the debtor.

19 I think we, when we were last before you, Mr. Orsini had
20 mentioned December 20th date and I think subsequently the TCC
21 had requested that we extend it to December 31st, through the
22 end of the year which we were amenable to. So we're now in the
23 process of preparing a stipulation as to the procedures that we
24 will be entailed with that, but I expect that will be resolved
25 in TCC's motion.

1 **THE COURT:** It's 12/31 now?

2 **MR. JULIAN:** Yes, it is, Your Honor. With special
3 procedures to ensure that we get more participation than we
4 have today.

5 **THE COURT:** I still think someone should be going door
6 to door. I will leave that up to you.

7 **MR. ZUMBRO:** That is part of the -- boots on the
8 ground is part of it.

9 **MR. JULIAN:** Boots on the ground is part of the
10 procedures, plus your idea of the claims center actually in
11 Paradise, Chico, et cetera.

12 **THE COURT:** Is that set up?

13 **MR. JULIAN:** We're discussing how to set it up.

14 **THE COURT:** Okay. Now I don't know this because I
15 don't do bankruptcy. But does Judge Montali need to approve
16 this or --

17 **MR. JULIAN:** Yes, he does.

18 **MR. ZUMBRO:** The motion is before him, but this will
19 resolve on a stipulated agreement basis the motion. And so I
20 don't expect him --

21 **THE COURT:** Well, while you're both here, what is the
22 potential impact of the mediator that was named?

23 Mr. Julian or --

24 **MR. JULIAN:** A good impact.

25 **THE COURT:** What does that mean for this proceeding?

1 **MR. JULIAN:** The goal of the mediation is to resolve
2 the case. Whether or not the -- an overall global settlement
3 would involve a fairness hearing that would involve this Court
4 or Judge Montali is something that the parties will look at, in
5 my view.

6 **THE COURT:** Well, I don't think it would be me. But
7 I'm just estimating.

8 Fairness with respect to a plan --

9 **MR. JULIAN:** No. No. We'll come back to you on that.

10 **THE COURT:** Settlement, class-wide settlement.

11 **MR. JULIAN:** Your Honor, the parties are discussing
12 it.

13 **THE COURT:** Well, okay. You will keep me advised --

14 **MR. JULIAN:** Yes.

15 **THE COURT:** -- of any documents.

16 **MR. ZUMBRO:** Of course. I think we have had -- there
17 have not been any formal mediation sessions to date, but I
18 believe the mediator has met with the parties. And we'll
19 obviously keep the Court apprized.

20 **THE COURT:** And now I'm going to assign the case
21 challenging the constitutionality of AB 1054 as well. So I
22 don't think any of you are directly involved in that, but it
23 will have an impact. I'm going to be having those parties in
24 relatively soon. But I am planning on probably getting that on
25 a similar time track, for obvious reasons. So that's just

1 something to keep in mind. Okay?

2 **MR. JULIAN:** Yes, Your Honor.

3 **THE COURT:** All right. Okay. Someone else had
4 something else?

5 **MR. ZUMBRO:** Thank you, Your Honor.

6 **MR. JULIAN:** Thank you, Your Honor.

7 **MR. McCALLEN:** Your Honor, Benjamin McCallen, the Ad
8 Hoc Subrogation Group.

9 Two brief points. The first is just to update Your Honor.
10 I was here before two weeks ago and told you, if you recall, we
11 had settled but that had to be approved by Judge Montali. We
12 had an initial hearing on that and we had oral argument, but
13 the judge continued the hearing until November 13th.

14 So as of now obviously I'm still here, but we're still
15 hopeful that on the 13th, as of that time we no longer will be.

16 And then a second point was just a clarification on the
17 disclosure issue.

18 So we disclosed six potential expert witnesses. The TCC I
19 think had seven and the debtors had 27.

20 There's obviously a date for rebuttal reports in the
21 schedule as well. And something I just want to clarify from
22 our perspective is obviously six expert witnesses is a much
23 narrower subject matter than 27. And so to the extent that
24 they end up putting in reports on issues that our six witnesses
25 aren't experts in, that that's what the rebuttal reports are

1 for.

2 In essence, we're not going to be foreclosed from putting
3 forward experts at that point on issues that the debtors put in
4 play with their initial reports.

5 **THE COURT:** I'm not understanding what you're saying.
6 You have a deadline to disclose your experts and --

7 **MR. McCALLEN:** So I'll give you an example,
8 Your Honor.

9 **THE COURT:** You're probably not even going to be here
10 but --

11 **MR. McCALLEN:** I'm hoping this is just an academic
12 discussion.

13 (Simultaneous colloquy.)

14 **MR. McCALLEN:** -- sure, an advisory ruling.

15 **THE COURT:** Yes.

16 **MR. McCALLEN:** And I think this could affect other
17 parties too, Your Honor. So I'll give you an example.

18 So on the issue of liability, we have three different
19 witnesses. We've got a vegetation management person, we've got
20 a metallurgist, and an electrical engineer.

21 The debtors have those same kind of people, but they also
22 have, for instance, an arborist, somebody who's an expert in
23 issues related to trees and can speak to what's, you know, a
24 lot of these cases are caused because of, we claim, damaged
25 trees that come in contact with PG&E's equipment.

1 So for our case, we did not intend to put an arborist
2 forward because we took to heart, you know, the conversations
3 we've had with Your Honor talking about this is an estimation,
4 this isn't a -- we're not doing a fire-by-fire adjudication.
5 And so those were the witnesses we intended to put on.

6 But to the extent, Your Honor, that they intend to put on
7 evidence broader in scope than we or the TCC intended to put
8 on, I just want to clarify that on rebuttal we would have the
9 opportunity to put forward those expert witnesses because, you
10 know, as you heard today, they have 27 witnesses. They might
11 end up not calling their arborist.

12 **THE COURT:** But you say on rebuttal. Do you mean
13 during the hearing?

14 **MR. McCALLEN:** No, Your Honor. So I'm looking at the
15 schedule. So we have a December 13th date for exchange of
16 expert reports. And then a month later, on January 13th, we
17 exchange rebuttal expert reports.

18 So that would be the opportunity at which we would put
19 forward experts who would opine on the issues that their
20 experts talked about that might be different than the issues
21 that our experts talk about.

22 **THE COURT:** And this is driven by an uncertainty over
23 27?

24 **MR. McCALLEN:** Yeah, well, I think -- I think what's
25 going on here, Your Honor, in part is because of the speed with

1 which we're moving. In a typical litigation, the parties have
2 full discovery and an opportunity to narrow the issues. So by
3 the time you get to the point where you're going to expert
4 discovery, everybody knows exactly what the issues are in the
5 case.

6 **THE COURT:** Yes, I understand.

7 **MR. McCALLEN:** But in this case, we don't have that
8 luxury and so it might be a little bit ships passing in the
9 night. So we intend to talk about these things, they intend to
10 talk about other things. But we want to have an opportunity,
11 of course, to be able to address something that they put in
12 front of Your Honor that we didn't, you know -- in terms of
13 putting together our list of experts, from our perspective we
14 may not think they're relevant, but if they're going to put
15 something different in front of Your Honor and claim, oh, yeah,
16 in fact, Your Honor, some issue related to damages or some
17 issue related to liability is relevant, we need to consider it.

18 We just want to make sure that we have the opportunity to
19 put somebody in front of Your Honor as a rebuttal expert
20 witness on that same topic.

21 **THE COURT:** Mr. Cameron.

22 **MR. CAMERON:** Your Honor, I think all the parties,
23 when they filed their initial disclosures, reserved the rights
24 to potentially put in something in addition for rebuttal if
25 necessary. Again it's --

1 **THE COURT:** You both want to do this.

2 **MR. CAMERON:** No, I'm not saying we're contemplating
3 that at this point. We tried to make our disclosures as robust
4 as we possibly could.

5 Frankly, I think this is something for us to address
6 together and decide when that time comes and should there be a
7 need and to work out where we all are, you know, and how we're
8 going to make this work for estimation and how many experts
9 we're going to have. There's a lot of discussions for the
10 parties to have, you know, to ensure that we make this work for
11 the Court.

12 And so frankly I'm not sure we need to deal with it now.
13 I think we can obviously deal with it down the stream.

14 **THE COURT:** I think that's probably right.

15 I won't close the door to completely -- or I should say
16 solely responsive testimony. I'm not going to foreclose that.
17 But January date is not a chance to fill in gaps.

18 So if, to use your example, the debtor sponsors an
19 arborist and there are a couple of points you want to respond
20 to, that's fine. But it would be -- consider it to be an
21 application of the scope of cross-examination rule. All right?
22 You cannot raise any new material. You can be responsive only
23 to the opinion that you wish to challenge of the debtor-related
24 witness. Okay.

25 **MR. McCALLEN:** Understood, Your Honor. And it wasn't

1 intended --

2 **THE COURT:** And vice versa. You can both do the same
3 thing.

4 **MR. McCALLEN:** I think it's appropriate. We will
5 start having a conversation with the debtors about this.

6 **THE COURT:** You all should be talking, you know, two
7 times a day between now and the end of the year to get this
8 thing shaped up. So don't wait on me.

9 I'm only going to see you every two weeks. So, you know,
10 be on the phone, be in meetings, whatever you need to do, but
11 you should be working every day, it seems to me at least once a
12 day, to get things streamlined.

13 **MR. McCALLEN:** Sure, Your Honor. And just to clarify,
14 part of this is driven by the fact that on some of these issues
15 prior to the disclosure date and even till today, we don't have
16 a real understanding as to what the debtors are going to be
17 putting forward against us on, for instance, the issue of
18 damages. We've talked in front of Your Honor before about the
19 damages issues.

20 And, you know, from our perspective, my clients are
21 insurance carriers and people that purchase insurance claims,
22 so what we've paid out of pocket is known and knowable. We can
23 put forward evidence as to the money that went out of pocket.

24 So one of the questions we've had is: Well, what are you
25 going to be arguing against us for damages? And we don't have

1 a good idea about that.

2 But I think I understand Your Honor correct today to be
3 telling us have that conversation, and if we're not getting
4 those answers, perhaps we can come back to Your Honor and try
5 to get somewhere.

6 **THE COURT:** Well, if your settlement is approved, it
7 resolves all of that.

8 **MR. McCALLEN:** If it's approved, then you never have
9 to hear from me again.

10 **MR. CAMERON:** Your Honor, the other point I want to
11 make is we take your instruction very seriously. We had a call
12 as recently as last Friday with certain representatives of the
13 plaintiffs, including Mr. Skikos, to see if we can, you know,
14 agree upon how the claims with Prime Clerk and BrownGreer and,
15 you know, some of that data is being sort of synthesized
16 sequential to make sure we're on the same page and how it's
17 being correlated and things like --

18 (Simultaneous colloquy.)

19 **THE COURT:** Well, I would suggest to call every day,
20 2:00 o'clock California time, call. I've done this in one
21 other case, and it turned out to be very productive. I did it
22 for different reasons in that case, but sort of each case has
23 its own factors. If you don't want to do it every day, just do
24 Monday, Wednesday, and Friday at 2:00 o'clock. I'm not going
25 to order that now. If somebody wants to ask me for that, I

1 will consider making it an order.

2 But let me just propose to have a regularly scheduled
3 time. If it takes five minutes, you're done. If it takes an
4 hour, then you've got an hour's worth of issues to work out.

5 But give serious thought to Monday, Wednesday, Friday
6 regular call, just a standing time when you know that you two
7 and TCC and debtor will be talking -- and when they're talking,
8 I'm looking at you. You can certainly participate.

9 (Simultaneous colloquy.)

10 **MR. McCALLEN:** Thank you.

11 **MR. CAMERON:** Your Honor, one more point.

12 **THE COURT:** Yes.

13 **MR. ZUMBRO:** Paul Zumbro.

14 And one other thing, Your Honor, Mr. Julian alluded to,
15 and I did want to alert the Court. You had previously asked
16 what the schedule for the first condemnation briefing.

17 **THE COURT:** Oh, yes.

18 **MR. ZUMBRO:** And I just want to let you know that
19 Judge Montali did enter a scheduling order on October 31st, and
20 the schedule for inverse is we -- the debtors put in their
21 opening brief on October 25th, which we've done. The reply
22 brief is November 15th. And then the oral argument is set on
23 the inverse condemnation issue for November 19th.

24 **THE COURT:** When is that going to resolve?

25 **MR. ZUMBRO:** Well, as soon as --

1 **THE COURT:** What issues are going to be resolved?

2 **MR. ZUMBRO:** That's the issue of whether inverse
3 condemnation applies to publicly -- privately owned utilities
4 like PG&E. And so that goes to whether there's a strict
5 liability standard or whether it's a negligence standard.

6 **THE COURT:** Then you come back to me and tell me this
7 how to divide the damages.

8 **MR. ZUMBRO:** Correct. I just wanted to make sure
9 you're aware.

10 **THE COURT:** Yes.

11 **MR. PASCUZZI:** Your Honor, Paul Pascuzzi, cocounsel
12 with the Attorney General's Office for California State
13 Agencies.

14 One other scheduling issue, Your Honor, that Judge Montali
15 entered. If you recall, the first time that we were here, we
16 mentioned -- I was here with the federal government lawyer --
17 about our issue about our claims, our fire-related claims being
18 liquidated and not subject to estimation, and that was going to
19 be briefed by the Bankruptcy Court and decided by the
20 Bankruptcy Court.

21 The court entered its briefing schedule last week as well
22 on that. So our brief is due November 15th, the debtors
23 December 5th, our reply December 12th, and then the hearing
24 will be December 17th.

25 And I think, Your Honor, the discussion at the September

1 hearing was that that may put us on a subsequent track with our
2 different types of fire-related claims because we're not really
3 fire victims in the sense that the Tort Committee is talking
4 about governmental units with disaster aid, fire suppression
5 costs, and things like that.

6 So I just wanted to inform the Court that the Bankruptcy
7 Court --

8 (Simultaneous colloquy.)

9 **THE COURT:** Are you working with the mediator as well?

10 **MR. PASCUZZI:** I believe so, Your Honor. We've spoken
11 with the debtors' lawyer, and Judge Montali's order wasn't
12 precise on who's principal party. But the debtors seem to be
13 okay with us participating and I believe the Tort Committee as
14 well so it will be --

15 **THE COURT:** To me -- and you know better -- but to me
16 it seems like could be possibly easier settlement discussion.

17 **MR. PASCUZZI:** Understood, Your Honor. We're looking
18 forward to participating.

19 **THE COURT:** Okay. Good.

20 Okay. Anyone else? Nope. All right. Next time is two
21 weeks from today unless something comes up and you can let me
22 know. Okay.

23 All right. Thank you.

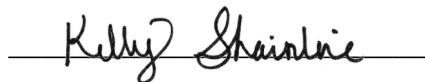
24 **ALL:** Thank you.

25 (Proceedings adjourned at 2:30 p.m.)

CERTIFICATE OF REPORTER

I, KELLY SHAINLINE, Court Reporter for the United States District Court, Northern District of California, hereby certify that the foregoing proceedings in 19-05257 JD, IN RE: PG&E CORPORATION and PACIFIC GAS AND ELECTRIC COMPANY, were reported by me, a shorthand reporter, and were thereafter transcribed under my direction into text; that the foregoing is a full, complete and true record of said proceedings as bound by me at the time of filing.

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Kelly Shainline, Court Reporter

Monday, November 4, 2019